

RECORDATION NO. 15131-A Filed & Recorded

MAR 26 1987 11-25 AM

INTERSTATE COMMERCE COMMISSION

7-085A020

Ms. Noreta R. McGee
Secretary
Interstate Commerce Commission
Washington, D.C. 20423

No.

Date MAR 26 1987

Fee \$ 10.00

ICC Washington, D.C.

Dear Ms. McGee:

Enclosed for recordation under the provisions of 49 USC 11303(a) are the original and five counterparts of a First Amendment to Railroad Equipment Lease dated as of February 1, 1987. The Railroad Equipment Lease to which said amendment relates is dated as of December 15, 1986 and was filed with your office at 2:05 p.m. on December 19, 1986 and given Recordation No. 15131. Said Amendment is a secondary document.

A general description of the railroad equipment covered by the enclosed document is set forth in Schedule A attached to this letter and made a part hereof.

The names and addresses of the parties are:

Lessor: Great Western Leasing Corporation
5270 Neil Road
Reno, Nevada 89502

Lessee: The Chesapeake and Ohio Railway
Company
c/o CSX Corporation
100 North Charles Street
Baltimore, Maryland 21201

The undersigned acted as special counsel in connection with the preparation of the enclosed document and has knowledge of the matters set forth therein.

Please return the original and four copies of said amendment to Deborah G. Page, Esq., Chapman and Cutler, 111 West Monroe Street, Chicago, Illinois 60603.

Also enclosed is a check in the amount of \$10.00 covering the required recording fee.

A short summary of the enclosed secondary document to appear in the Index follows:

ICC OFFICE OF
THE SECRETARY
MAR 26 11 16 AM '87
MOTOR OPERATING UNIT

CG. Kunder
Deborah G. Page

First Amendment to Railroad Equipment Lease between Great Western Leasing Corporation, as Lessor, 5270 Neil Road, Reno, Nevada 89502, and The Chesapeake and Ohio Railway Company, as Lessee, c/o CSX Corporation, 100 North Charles Street, Baltimore, Maryland 21201, covering 127 bulkhead intermodal railroad cars.

We would also request that the above-described document be indexed and cross-referenced in your records under the name of "New York, Susquehanna and Western Railway Corporation, 1 Railroad Avenue, Cooperstown, New York 13320", using the above summary of such document.

Very truly yours,

CHAPMAN AND CUTLER

By Deborah G. Page
Deborah G. Page

Enclosures

SCHEDULE A

DESCRIPTION OF EQUIPMENT

One hundred twenty-seven (127) bulkhead intermodal railroad cars, manufactured by Gunderson, Inc., and bearing reporting marks and numbers NYSW 6813 through NYSW 6835, inclusive, NYSW 6861 through NYSW 6902, inclusive, and NYSW 7000 through NYSW 7061, inclusive.

Interstate Commerce Commission
Washington, D.C. 20423

3/26/87

OFFICE OF THE SECRETARY

Deborah G. Page, Esq.
Chapman & Cutler
111 West Monroe St
Chicago, Illinois 60603

Dear
Sir:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 3/26/87 at 11:25am, and assigned re-recording number(s).

15131-A

15190

Sincerely yours,

Noreta R. McGee
Secretary

Enclosure(s)

SE-30
(7/79)

RECORDATION NO. 15131-A Filed & Recorded

MAR 26 1987 11-2 5 AM

INTERSTATE COMMERCE COMMISSION

FIRST AMENDMENT TO RAILROAD EQUIPMENT LEASE

Dated as of February 1, 1987

between

GREAT WESTERN LEASING CORPORATION

Lessor

and

THE CHESAPEAKE AND OHIO RAILWAY COMPANY

Lessee

C&O Lease No. 87-1

FIRST AMENDMENT TO RAILROAD EQUIPMENT LEASE

FIRST AMENDMENT TO RAILROAD EQUIPMENT LEASE dated as of February 1, 1987 (this "Amendment") between GREAT WESTERN LEASING CORPORATION, a California corporation (the "Lessor"), and THE CHESAPEAKE AND OHIO RAILWAY COMPANY, a Virginia corporation (the "Lessee").

WHEREAS, the Lessor and the Lessee have heretofore executed and delivered that certain Railroad Equipment Lease dated as of December 15, 1986 (the "Original Lease") pursuant to which the Lessor leased to the Lessee 127 bulkhead intermodal railroad cars manufactured by Gunderson, Inc. (the "Manufacturer") marked and numbered NYSW6813 through NYSW6835, inclusive, NYSW6861 through NYSW6902, inclusive, and NYSW7000 through NYSW7061, inclusive (the "Cars"); and

WHEREAS, said Original Lease was recorded in the Office of the Secretary of the Interstate Commerce Commission on December 19, 1986 at 2:05 P.M. and was given Recordation No. 15131; and

WHEREAS, the Lessor acquired the Cars pursuant to a Purchase Agreement dated as of December 15, 1986 (the "Purchase Agreement") among the Lessor, the Lessee and Intermodal Systems, Inc. ("Intermodal", and together with Lessee the "Seller" under such Purchase Agreement, and party in possession of the Cars pursuant to certain Interim User Agreements dated as of June 10, 1986, August 20, 1986 and November 1, 1986 among the Lessee, Intermodal and the Manufacturer), pursuant to which the Lessor acquired the Cars from the Seller by application of sums advanced by the Lessor in the aggregate amount of \$21,225,924 (the "Lessor's Cost"), as set forth in the Purchase Agreement; and

WHEREAS, the Lessor and the Lessee contemplated that the Lessor would issue its Secured Notes at some future date during the term of the Original Lease in order to refinance a portion of the Lessor's Cost of the Cars and that the Original Lease would be modified to adjust as provided herein the amounts of Basic Rent, Loss Value and Termination Value payable thereunder; and

WHEREAS, in order to provide reimbursement to the Lessor of an amount equal to approximately 70% of the Lessor's Cost of the Cars, the Lessor now proposes to sell to Massachusetts Mutual Life Insurance Company (the "Note Purchaser") the 8.46% Secured Notes due 1987-1998 (the "Notes") of the Lessor in an aggregate principal amount not exceeding \$14,306,272.78; and

WHEREAS, in order to provide for the sale of the Notes to the Note Purchaser, the Lessor proposes to enter into a Note Agreement dated as of February 1, 1987 (the "Note Agreement") with the Note Purchaser and to secure the Notes by entering into a Security Agreement dated as of February 1, 1987 (the "Security Agreement") from the Lessor to the Note Purchaser, as secured party thereunder, providing for a first lien on and security interest in the Cars, the Original Lease, as amended hereby, and the rentals and other sums due and to become due under said agreements; and

WHEREAS, in order to induce the Note Purchaser to purchase the Notes, the proceeds of which are to be applied to the refinancing of a portion of the Lessor's Cost of the Cars, and to further induce the Note Purchaser to enter into the Security Agreement as security for the Notes and to provide for the adjustments to the Original Lease, the Lessor and the Lessee desire to amend the Original Lease as hereinafter set forth;

NOW, THEREFORE, in consideration of the premises and other good and valuable consideration, the receipt whereof is hereby acknowledged, the Lessor and the Lessee agree that the Original Lease shall be deemed to be and is hereby amended upon the execution and delivery of this Amendment and effective with respect to acts and events occurring from and after such date as follows:

1. The second, third and fifth paragraphs of Section 5 of the Original Lease are hereby amended to read in full as follows:

. . . .

"Lessee agrees to pay as quarterly rent for each ITC Car for and during the Basic Term an amount equal to 2.4446% of the Lessor's Cost of such Car, and Lessee agrees to pay as quarterly rent for each Non-ITC Car for and during the Basic Term an amount equal to 2.7073% of the Lessor's Cost of such Car ("*Basic Rent*").

The Basic Rent shall be payable in arrears on the 1st day of each January, April, July, and October in each year during the Basic Term (each such date being referred to herein as a "*Rent Payment Date*"), with the first such payment to be made on April 1, 1987.

. . . .

All payments of Interim Rent, Basic Rent, Renewal Rent, Termination Value and Loss Value and certain other payments under this Lease may be assigned by Lessor in accordance with the provisions of Section 20(a) hereof; and in the event Lessor shall notify Lessee in writing that the right to receive payment of such amounts shall have been assigned in accordance with Section 20(a) hereof, Lessee shall make such payments by wire transfer of immediately available funds to the place designated in such notice (except that payments required to be made directly to Lessor may be made by automated clearing house) or as otherwise designated from time to time in writing by such assignee; *provided* that in the event such notice shall direct Lessee to divide any such amount or installment into not more than two portions and to pay each portion by wire transfer (or in the case of payments required to be made directly to Lessor, by automated clearing house) separately to not more than two parties. Lessee agrees to do so; and *provided, further*, that the amount of any payment owing to Lessor pursuant to Sections 12, 13, 14 or 23 (with respect to public liability insurance) hereof shall be made directly to Lessor by automated clearing house without regard to the assignment of this Lease pursuant to Section 20(a) hereof."

2. Section 21(b)(5)(B) of the Original Lease is hereby amended to read in full as follows:

"(B) An amount equal to the excess, if any, of the Loss Value of such Car computed as of the Rent Payment Date next preceding the Payment Date over the fair market rental value of such Car for the remainder of the Primary Term hereunder of such Car after discounting at the Late Payment Rate such fair market rental value on such periodic basis as Basic Rent is payable hereunder to present worth as of the Payment Date; or"

3. Section 25 of the Original Lease shall be amended to change the address for notices to the Lessor specified therein to the following address:

"Great Western Leasing Corporation
5270 Neil Road
Reno, Nevada 89502
Attention: Contracts Review"

4. Exhibit C to the Original Lease shall be amended and restated in its entirety, so as to read in accordance with Exhibit A attached to this Amendment.

5. Exhibits E-1 and E-2 to the Original Lease shall be amended and restated in their entirety so as to read in accordance with Exhibits B-1 and B-2 attached to this Amendment.

Except to the extent hereby amended and modified, the Original Lease is in all respects ratified, confirmed and approved.

This Amendment shall be governed by and construed in accordance with the laws of the State of California.

The terms of this Amendment shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

This Amendment may be executed in several counterparts, each of which shall be an original, but all of which together shall constitute one instrument.

IN WITNESS WHEREOF, the parties have caused this Amendment to be executed and delivered as of the day and year first above written.

GREAT WESTERN LEASING CORPORATION,
Lessor

By Arson P. Sallaway
Its Senior Vice President

THE CHESAPEAKE AND OHIO RAILWAY
COMPANY, Lessee

By _____
Its _____

STATE OF CALIFORNIA)
) SS
COUNTY OF SAN FRANCISCO)

On this 24th day of March, 1987, before me personally appeared Aaron P. Ballouay, to me personally known, who being by me duly sworn, says that he is the 2nd Vice President of GREAT WESTERN LEASING CORPORATION, that said instrument was signed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.



Elizabeth B. Weisberg
Notary Public

135 California St. # 4343, San Francisco, CA 94111
[NOTARIAL SEAL]

My commission expires: Sept. 25, 1990

STATE OF _____)
) SS
COUNTY OF _____)

On this _____ day of _____, 1987, before me personally appeared _____ to me personally known, who being by me duly sworn, says that he is the _____ of THE CHESAPEAKE AND OHIO RAILWAY COMPANY, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Notary Public

[NOTARIAL SEAL]

My commission expires: _____

IN WITNESS WHEREOF, the parties have caused this Amendment to be executed and delivered as of the day and year first above written.

GREAT WESTERN LEASING CORPORATION,
Lessor

By _____
Its _____

THE CHESAPEAKE AND OHIO RAILWAY
COMPANY, Lessee

By A. B. N. [Signature]
Its Treasurer

STATE OF _____)
COUNTY OF _____) SS

On this _____ day of _____, 1987, before me personally appeared _____, to me personally known, who being by me duly sworn, says that he is the _____ of GREAT WESTERN LEASING CORPORATION, that said instrument was signed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

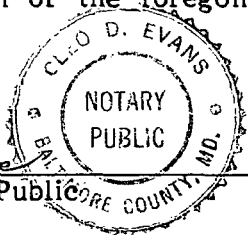
Notary Public

[NOTARIAL SEAL]

My commission expires: 7/1/90

STATE OF Maryland)
COUNTY OF Baltimore) SS

On this 23rd day of March, 1987, before me personally appeared A.B. Aftora to me personally known, who being by me duly sworn, says that he is the Treasurer of THE CHESAPEAKE AND OHIO RAILWAY COMPANY, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Cleo D. Evans
Notary Public


[NOTARIAL SEAL]

My commission expires: 7/1/90

EXHIBIT C
TO
RAILROAD EQUIPMENT LEASE
TERMINATION VALUES

1. ITC Cars

<u>Month After Which Termination May Occur</u>	<u>Termination Value</u>	<u>Maximum Value</u>
120	37.27733408%	40.00%
132	29.86093143	32.25
144	22.12596913	30.00

2. Non-ITC Cars

<u>Month After Which Termination May Occur</u>	<u>Termination Value</u>	<u>Maximum Value</u>
120	39.00554146%	46.90%
132	30.11048565	39.25

EXHIBIT E-1

TO

RAILROAD EQUIPMENT LEASE

LOSS VALUES FOR NON-ITC CARS

<u>Rent Payment Date</u>	<u>Percentage of Lessor's Cost of the Cars</u>
January 1, 1987	102.56523658%
April 1, 1987	102.74818116
July 1, 1987	102.06820617
October 1, 1987	101.32870837
January 1, 1988	100.53193960
April 1, 1988	96.64969367
July 1, 1988	95.70946073
October 1, 1988	94.71205744
January 1, 1989	93.66335745
April 1, 1989	92.56397027
July 1, 1989	91.40455182
October 1, 1989	90.18492195
January 1, 1990	88.91072260
April 1, 1990	87.58246187
July 1, 1990	86.18920126
October 1, 1990	84.74432662
January 1, 1991	83.25348038
April 1, 1991	81.71841006
July 1, 1991	80.15415897
October 1, 1991	78.56392699
January 1, 1992	76.94681526
April 1, 1992	75.30122320
July 1, 1992	73.63150524
October 1, 1992	71.93382784
January 1, 1993	70.20721583
April 1, 1993	68.44993005
July 1, 1993	66.66680935
October 1, 1993	64.85972059
January 1, 1994	63.02671507
April 1, 1994	61.16650946
July 1, 1994	59.28329467
October 1, 1994	57.37663996
January 1, 1995	55.44271991
April 1, 1995	53.48015222
July 1, 1995	51.49351257
October 1, 1995	49.48234667

<u>Rent Payment Date</u>	<u>Percentage of Lessor's Cost of the Cars</u>
January 1, 1996	47.44250614%
April 1, 1996	45.37250197
July 1, 1996	43.27732907
October 1, 1996	41.15650845
January 1, 1997	39.00554146
April 1, 1997	36.82282402
July 1, 1997	34.61380775
October 1, 1997	32.37798781
January 1, 1998	30.11048565
April 1, 1998	27.80957302
July 1, 1998	25.50799242
October 1, 1998	23.21681511

EXHIBIT E-2
TO
RAILROAD EQUIPMENT LEASE
LOSS VALUES FOR ITC CARS

<u>Rent Payment Date</u>	<u>Percentage of Lessor's Cost of the Cars</u>
January 1, 1987	101.80543502%
April 1, 1987	102.37199610
July 1, 1987	101.93091430
October 1, 1987	101.42307961
January 1, 1988	100.85458566
April 1, 1988	95.40997000
July 1, 1988	94.67561846
October 1, 1988	93.87965780
January 1, 1989	93.03015583
April 1, 1989	90.12734596
July 1, 1989	89.16174443
October 1, 1989	88.13074396
January 1, 1990	87.04210597
April 1, 1990	83.89594026
July 1, 1990	82.68296786
October 1, 1990	81.40056175
January 1, 1991	80.05497101
April 1, 1991	76.65583742
July 1, 1991	75.23282188
October 1, 1991	73.78599769
January 1, 1992	72.31466343
April 1, 1992	68.82275390
July 1, 1992	67.31551465
October 1, 1992	65.79379740
January 1, 1993	64.25335736
April 1, 1993	62.69322825
July 1, 1993	61.11775794
October 1, 1993	59.52789541
January 1, 1994	57.91907629
April 1, 1994	56.29028272
July 1, 1994	54.64625102
October 1, 1994	52.98803940
January 1, 1995	51.31073820
April 1, 1995	49.61327602
July 1, 1995	47.90081413
October 1, 1995	46.17453221

<u>Rent Payment Date</u>	<u>Percentage of Lessor's Cost of the Cars</u>
January 1, 1996	44.42914787%
April 1, 1996	42.66353424
July 1, 1996	40.88331755
October 1, 1996	39.08981239
January 1, 1997	37.27733408
April 1, 1997	35.44469849
July 1, 1997	33.59804042
October 1, 1997	31.73882437
January 1, 1998	29.86093143
April 1, 1998	27.96311847
July 1, 1998	26.05178626
October 1, 1998	24.11086848
January 1, 1999	22.12596913